

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF HEARING:**

**APPLICATION OF CHESAPEAKE OPERATING, INC.
FOR COMPULSORY POOLING,
LEA COUNTY NEW MEXICO**

CASE 13147

PRE-HEARING STATEMENT

**Chesapeake Operating, Inc. submits this pre-hearing statement as required by the
New Mexico Oil Conservation Division.**

APPEARANCES OF THE PARTIES

APPLICANT

**Chesapeake Operating, Inc.
6100 N. Western Ave
Oklahoma City, OK 73118
Attn: Lynda Townsend
405-879-9414**

ATTORNEY

**Thomas Kellahin, Esq.
P. O. Box 2265
Santa Fe, New Mexico 87504
505-982-4285**

OPPONENT

None

ATTORNEY

*wpt
9/16/03*

STATEMENT OF THE CASE**APPLICANT:**

Chesapeake Operating, Inc., in accordance with Section 70-1-17.C and Division Rule 1207.A(1)(b) seeks a compulsory pooling order pooling all mineral interest in the Upper Pennsylvanian formations, including the Northeast Lovington-(Upper) Pennsylvanian Pool, underlying a standard 80-acre spacing unit consisting of the E/2NE/4 of Section 7, T16S, R37E, Lea County, New Mexico for its Caudill "7" Well No. 1 to be drilled as a unorthodox well location in Unit P of this section and the designation of Chesapeake Operating Inc. as the operator plus the standard provisions of the Division's compulsory pooling order including a 200% risk factor penalty in accordance with Commission Order R-11992, effective August 15, 2003

PROPOSED EVIDENCE**APPLICANT****WITNESSES**

Lynda Townsend (land)

EST. TIME

by affidavit

EST. EXHIBITS**PROCEDURAL MATTERS**

None

KELLAHIN & KELLAHIN

W. Thomas Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87504
Phone 505-982-4285
Fax 505-982-2047
E-mail: tkellahin@aol.com